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NEWS RELEASE

SELF-PROCLAIMED INVESTMENT EXPERT INVESTS IN HIMSELF

February 10, 2006. Salt Lake City, Utah . . . Francine A. Giani, Executive Director of the Utah Department of Commerce announced that the Division of Securities entered a Cease and Desist Order today against James Melvin Hardman, of Salt Lake City. Hardman admitted violating the law, agreed to pay a fine, and will cease selling securities in violation of the law.

In 2003 Hardman obtained \$20,000 from a Salt Lake City victim after telling her he was an investment expert and had written a book on investments. He told the victim her investment was guaranteed and could earn 10-25% profit each day. In reality, none of the victim's money was put into investments; Hardman used all the investor's money for his personal expenses, including paying credit card bills, car rentals, home expenses, and cash. He did not tell the victim that \$2,000 Hardman did have invested had lost two-thirds of its value. He also hid the fact that he had an outstanding judgment against him for over \$1.1 million.

Today's Cease and Desist Order concludes a case brought by the Division on May 20, 2005. Also in May, Hardman was charged with six felony criminal violations in a case brought by the Utah Attorney General. On December 13, Hardman pleaded guilty to two felonies. He has paid restitution to the victim. The Order imposes a fine of \$5,000 against Hardman but \$4,500 of that amount was waived in light of his cooperation in paying restitution and admitting the violations.